

**MEMORANDUM OF UNDERSTANDING  
BETWEEN THE CITY OF CARLSBAD  
AND THE CARLSBAD POLICE MANAGEMENT ASSOCIATION**

Term: January 1, 2014 – December 31, 2015

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## **MEMORANDUM OF UNDERSTANDING**

This Memorandum of Understanding is made and entered into as of the date of formal approval hereof by the City Council of the City of Carlsbad, by and between designated management representatives of the City of Carlsbad (hereinafter referred to as the "city") and the designated representatives of the Carlsbad Police Management Association (hereinafter referred to as "CPMA").

### **PREAMBLE**

It is the purpose of the Memorandum of Understanding (hereinafter referred to as "Memorandum") to promote and provide for harmonious relations, cooperation and understanding between the city and the local safety police management employees covered under this Memorandum; to provide an orderly and equitable means of resolving any misunderstandings or differences which may arise under this Memorandum; and to set forth the agreement of the parties reached as a result of good faith negotiations regarding wages, hours and other terms and conditions of employment of the employees covered under this Memorandum, which agreement the parties intend jointly to submit and recommend for City Council approval and implementation.

### **ARTICLE 1. IMPLEMENTATION**

This Memorandum constitutes a mutual recommendation to be jointly submitted to the City Council following ratification of the Memorandum by the membership of CPMA. It is agreed that the city will act in a timely manner to make the changes in city ordinances, resolutions, rules, policies and procedures and those of the Police Department necessary to implement this Memorandum.

### **ARTICLE 2. TERM AND RENEGOTIATION**

- 2.1 The term of this Memorandum shall commence on January 1, 2014, and shall continue until December 31, 2015.
- 2.2 Negotiations for a successor Memorandum shall begin by the exchange of written proposals in approximately October 2015.

### **ARTICLE 3. AUTHORIZED AGENTS**

For the purpose of administering the terms and provisions of this Memorandum:

- 3.1 City's principal authorized agent shall be the City Manager or a duly authorized representative [Address: 1200 Carlsbad Village Drive, Carlsbad, California 92008; Telephone: (760) 434-2821] except where a particular representative is specifically designated in connection with the performance of a specific function or obligation set forth herein.
- 3.2 CPMA's principal authorized agent shall be its President or duly authorized representative [Address: 2560 Orion Way, Carlsbad, CA, 92010] and PORAC of California [Address: 4010 Truxel Rd. Sacramento, CA 95834-3725; Telephone: 916-928-3777].

### **ARTICLE 4. RECOGNITION**

The city recognizes CPMA as the majority representation of the bargaining unit that includes the classifications of Police Captain and Police Lieutenant.

#### ARTICLE 5. SAVINGS CLAUSE

If any articles of this Memorandum should be found invalid, unlawful or unenforceable by reason of existing or subsequent enacted legislation or by judicial authority, all other articles and sections of this Memorandum shall remain in full force and effect for the duration of this Memorandum.

#### ARTICLE 6. NONDISCRIMINATION CLAUSE

Neither city nor CPMA shall interfere with, intimidate, restrain, coerce, or discriminate against employees covered by this Memorandum because of exercise of rights to engage or not engage in CPMA activity or because of the exercise of any right provided to the employees by this Memorandum.

#### ARTICLE 7. MANAGEMENT RIGHTS

The rights of the city include, but are not limited to, the exclusive right: to determine the mission of its major service areas, departments, commissions, and boards; to set standards of service; to determine procedures and standards of selection for employment and promotion; to direct its employees; to take disciplinary action; to relieve employees from duty because of lack of work or other legitimate reasons; to transfer employees among various department activities and work groups; to maintain the efficiency of city operations; to determine the methods, means and personnel by which city operations are to be conducted; to determine the contents of job classifications; to take all necessary actions to carry out its mission in emergencies; and to exercise complete control and discretion over its organization and the technology for performing its work.

Nothing in this Memorandum shall require the city to meet and confer over the exercise of its management rights, however, in so doing; the city shall comply with all applicable provisions of this Memorandum.

#### ARTICLE 8. BASIC WORK WEEK/WORK DAY

- 8.1 Police Captains are exempt from overtime requirements under the Fair Labor Standards Act.
- 8.2 In accordance with section 7(k) of the Fair Labor Standards Act, the official work period for sworn employees begins on Sunday at 00:01 hours and ends 14 days later at 23:59 hours. Overtime shall be compensated in the manner prescribed by Article 12 of this Memorandum.
- 8.3 References in the Memorandum to a 3/12 schedule refer to a schedule in which employees work three 12-hour shifts during one of the workweeks in a two-week pay period and three 12-hour shifts plus one 8-hour shift during the other workweek in the pay period, for a total of 80 hours worked in the pay period.
- 8.4 Members of this bargaining unit will be given two (2) fifteen-minute rest periods and one (1) half-hour lunch break each workday without loss of pay.
- 8.5 CPMA members currently on a 3/12 schedule shall work a 4/10 schedule once the 4/10 schedule is implemented for CPOA membership.

#### ARTICLE 9. COURT AND HEARINGS

- 9.1 Compensation: Off duty Lieutenants who appear in court or at a hearing pursuant to an official request from a legally constituted body regarding matters arising out of, or associated with, their

employment shall be compensated at a minimum of four (4) hours per day calculated at time and one-half the employee's regular rate of pay. Actual time spent in court over the four (4) hour minimum on the same day is compensable at time and one-half the Lieutenant's regular rate of pay.

- 9.2 Contiguous Time: This minimum hour guarantee shall not apply if the court or hearing appearance is contiguous with the commencement or end of the Lieutenant's regularly scheduled work shift. In that situation, the Lieutenant shall receive overtime compensation at the following rate.

Any subpoena received with an appearance time of two (2) hours prior to the commencement of the employee's work shift will receive two (2) hours compensation at the overtime pay rate.

Any subpoena received with an appearance time of one (1) hour prior to the commencement of the employee's work shift will receive one (1) hour compensation at the overtime pay rate.

Lieutenants who receive subpoenas for separate cases on the same day that overlap minimum hour designations are entitled to contiguous time as opposed to separate three/four hour minimums.

- 9.3 Lunch Break Compensation: When personnel required to appear in court or at a hearing are held over during the normal lunch break for further appearance after lunch, they shall be entitled to credit for the lunch break as time worked.
- 9.4 Transportation: When available, Carlsbad Police Department vehicles shall be used for employee transportation. Mileage expenses will not be paid for appearances in court or at a hearing when the court or hearing location is within a 20 mile radius of the Carlsbad Police Department. If the court or hearing location is beyond a 20 mile radius of the Carlsbad Police Department and a Carlsbad Police Department vehicle is not available, the employee will receive reimbursement for mileage expenses to and from the court or hearing location, or the round trip distance between the court or hearing location and the Carlsbad Police Department, whichever is less. Employees shall be reimbursed for mileage expenses as set out in Council Policy Statement of the City of Carlsbad titled "Travel Policy" with an effective date of 12/14/99, including any subsequent changes to this policy.
- 9.5 Phone Testimony: When off duty Lieutenants provide court or hearing testimony via telephone, the employee shall be compensated for the actual time of the telephone testimony or a minimum of one (1) hour, whichever is greater, at time and one-half the employee's regular rate of pay.
- 9.6 District Attorney Conversation: When off duty Lieutenants receive calls from District Attorney personnel regarding criminal cases, employees will receive no compensation for conversations lasting less than 10 minutes. Lieutenants will receive compensation at time and one-half the employee's rate of pay for the actual time of the conversation or a minimum of one (1) hour, whichever is greater, for conversations lasting 10 minutes or longer. Lieutenants receiving multiple calls within the same one hour period shall only receive one hour compensation.

#### ARTICLE 10. SICK LEAVE/BEREAVEMENT LEAVE

- 10.1 Every employee will accrue sick leave at the rate of 16 minutes per calendar day. Sick leave may be used in 15 minute increments.

10.2 Accrued, unused sick leave may be carried over to succeeding years, but will not be paid out when an employee's employment with the city ends.

10.3 Employees shall be granted sick leave: (1) to recuperate from or receive treatment for personal injuries or illnesses; (2) to care for an injured or ill family member; or (3) to attend the employee's own or a family member's medical, dental, or optometry appointments.

In addition, in the event of the death of an employee's family member, the employee may take up to three (3) consecutive shifts of paid time off for bereavement. In extreme circumstances, the Police Chief may allow the employee to take additional time off in the form of accrued sick leave or vacation or treated as leave without pay.

For the purpose of this section, the term "family member" shall be defined in the personnel rules and regulations.

10.4 An employee who is absent because of a personal injury or illness or the injury, illness, or death of a family member must notify the employee's supervisor as soon as possible on the first day of the absence. An employee who needs to be absent to attend a medical, dental, or optometry appointment must have the absence approved in advance by the employee's supervisor.

10.5 Sick leave may not be taken as vacation time, nor compensated in cash at any time, except as provided for in this article.

10.6 If an absence is for more than three (3) consecutive workdays and/or if it is covered by workers' compensation, the pregnancy disability provisions of the California Fair Employment and Housing Act, the California Family Rights Act, or the federal Family and Medical Leave Act, the city may require the employee to provide a medical certificate supporting the need for the absence.

10.7 Time off to take a physical examination for induction into or recall to active duty with the Armed Forces will be handled in accordance with applicable state and federal law.

10.8 An employee making a blood donation without charge will be given reasonable time off for that purpose. No charge will be made against the employee's sick leave or vacation when the absence is approved in advance by the employee's supervisor.

10.9 During the first pay period of each fiscal year, any regular employee who has accrued and maintains a minimum of one hundred (100) hours of sick leave will be permitted to convert up to ninety-six (96) hours of accrued, unused sick leave to vacation at ratio of twenty four (24) hours of sick leave to eight (8) hours of vacation. However, an employee will not be permitted to convert sick leave to vacation if the conversion would cause the employee to exceed the vacation accrual maximum specified in Article 24.

10.10 Any regular employee applying for retirement with the Public Employees' Retirement System may convert accrued and unused sick leave to service time at the rate specified in California Government Code section 20965.

10.11 Nothing in this Article precludes the city from taking appropriate action in the event of abuse of sick leave.

## ARTICLE 11. ASSOCIATION RIGHTS

- 11.1 The city recognizes the right of the CPMA to govern its internal affairs.
- 11.2 The parties to this Memorandum fully support the concept of the Public Safety Officers Procedural Bill of Rights Act, Sections 3300, et seq., of the Government Code.
- 11.3 Upon the receipt of a written request and authorization from an employee for deduction of CPMA dues and other lawfully permitted deductions, the city shall withhold such dues and deductions from the salary of the employee and remit the withholdings to the CPMA. The city shall continue to withhold such deductions unless the employee files a statement with the city withdrawing authorization for the continued withholding of the deductions during the month of March of any year covered by the term of this Memorandum. The effective date of withholding, time of remitting withholdings to the CPMA, and all procedural matters shall be determined in accordance with the Rules and Regulations of the city.
- 11.4 The CPMA shall provide and maintain with the city a current list of the names and all authorized representatives of the CPMA. An authorized representative shall not enter any work location without the consent of the Police Chief or his designee or the City Manager or his designee. The Police Chief or his designee shall have the right to make arrangements for a contact location removed from the work area of the employee.
- 11.5 The CPMA shall be allowed to designate employee representatives to assist employees in:
  - 11.5.1 Preparing and presenting material for Disciplinary Appeals hearings;
  - 11.5.2 Preparing and presenting material for any matter for which representation is granted pursuant to the provisions of California Government Code Sections 3300, et seq., known as the Public Safety Officers Procedure Bill of Rights Act.
- 11.6 Designated employee representatives shall be allowed reasonable release time from regularly scheduled duties to attend meet and confer sessions with the city.
- 11.7 Designated employee representatives requesting time off under this Article shall direct such request to their immediate supervisors in writing within a reasonable time period to the date requested, in order to assure that the Department meets its staffing needs and to assure sufficient coverage of departmental assignments.
- 11.8 The city will furnish bulletin board space in the Police Department for the exclusive use of the CPMA. Material placed on the bulletin boards shall be at the discretion of the CPMA and shall be removed by management only in the event the material is obviously offensive to good taste or defamatory, and shall be removed only on prior notification to a CPMA representative. The CPMA shall be responsible for maintaining bulletin boards exclusively used by the CPMA in an orderly condition and shall promptly remove outdated materials.
- 11.9 Use of City Facilities
  - 11.9.1 The CPMA may, with the prior approval of the City Manager, be granted the use of the city facilities for off-duty meetings of CPMA members, provided space is available. All such requests will be in writing to the City Manager.

- 11.9.2 The use of city equipment other than items normally used in the conduct of business meetings, such as desks, chairs and blackboards, is strictly prohibited, the presence of such equipment in approved city facilities notwithstanding.

## ARTICLE 12. OVERTIME

- 12.1 Overtime Pay: Lieutenants shall be entitled to overtime compensation at the premium rate of one and one-half (1-1/2) times the employee's regular rate of pay for all time worked, or regarded as having been worked because the employee is on an approved paid leave, in excess of the employee's regularly scheduled work day and/or in excess of eighty (80) hours per fourteen (14) day work period.
- 12.2 Comp. Time Option: Lieutenants shall have the option (with the exception of "Pay Only Details") of receiving compensatory time off at the premium rate in lieu of cash, subject to a maximum accumulation of one hundred (100) hours of compensatory time off. When a Lieutenant has accumulated the maximum number of hours of compensatory time off, he/she shall receive all overtime compensation in cash until such time as the Lieutenant's compensatory time off bank is no longer at the maximum..
- 12.3 Comp. Time Exception: Special details where the city is reimbursed for employees' compensation from an outside entity shall be for pay only. Lieutenants volunteering for such details are not eligible for compensatory time off in lieu of cash.

## ARTICLE 13. CALL BACK

- 13.1 Only Lieutenants are eligible for Call Back Pay as described in this article.
- 13.2 Description: If an employee is required to return to his or her place of employment or other work location directed by the employer at a time that is not part of the employee's regularly scheduled work shift, that employee shall receive appropriate overtime pay, as described in Article 17, for the actual number of hours worked, subject to the following:
- 13.3 Scheduled Call Back Minimum: For Call Backs scheduled in advance, such as for training or firearms qualification, the employee shall receive a minimum of two hours of appropriate overtime compensation.
- 13.4 Non-scheduled Call Back Minimum: For Call Backs not scheduled in advance, the employee shall receive a minimum of four hours of appropriate overtime compensation.
- 13.5 Travel Time: Employees who are called back shall receive travel time to and from the call back assignment. Travel time is included as part of the call back minimum compensation or the call back overtime if the call back (travel time plus detail time) exceeds the approved minimum guarantees. The maximum approved travel time is set as follows:
- (a) Police Department: If the call back is to the Carlsbad Police Department or other site within a 20 mile radius of the Carlsbad Police Department, the travel time is capped at a maximum of one hour.

- (b) Other Site: If the call back is to a site outside of the 20 mile radius of the Carlsbad Police Department, travel time shall be the actual amount of time required to drive to the call back site and return to employee's residence.
- 13.6 Transportation: Mileage reimbursement for expenses to the Carlsbad Police Department or to any site within a 20 mile radius of the Carlsbad Police Department will not be compensated. If an employee is directed to a site beyond a 20 miles radius of the Carlsbad Police Department, the employee will receive mileage reimbursement for expenses to and from the directed site or the round trip distance between the directed site and the Carlsbad Police Department, whichever is less.
- 13.7 Contiguous Time: These minimums shall not apply to situations where the call back is contiguous with the commencement or end of the employee's regularly scheduled work shift. In that situation, the employee shall receive applicable overtime compensation for all time actually worked beyond the regularly scheduled work shift.

#### ARTICLE 14. SENIORITY

- 14.1 The seniority of an employee is based on the number of calendar months of continuous service in the Carlsbad Police Department. Within a rank, the seniority of an employee is based on the number of calendar months of continuous service in the Carlsbad Police Department in that rank. An employee promoted to a higher rank and later demoted back to the original rank shall have seniority calculated for all time of continuous service in the higher rank and the original rank combined.
- 14.2 If an employee voluntarily leaves the city's employ or is dismissed for cause, the employee will lose all seniority credited prior to then. Reemployment will not restore the lost seniority. Instead, if an employee is reemployed, seniority will be based on the reemployment date. This section does not apply to employees who successfully appeal a termination for cause and are ordered to be reinstated to employment.
- 14.3 An employee laid off will, after reinstatement, regain the seniority credit the employee possessed at the time of layoff, provided the reinstatement occurs within twenty-four (24) months of the layoff.
- 14.4 A leave of absence in excess of thirty (30) continuous days will not count as continuous service for the purpose of determining seniority.

#### ARTICLE 15. PEACEFUL PERFORMANCE OF CITY SERVICES

- 15.1 During the term of the Memorandum, the CPMA, its representatives, or members shall not engage in, cause, instigate, encourage or condone a strike or work stoppage of any kind against the City of Carlsbad.
- 15.2 During the term of the Memorandum, the city will not instigate a lockout over a dispute with the employees.
- 15.3 As used in this section, "strike or work stoppage" means the concerted failure to report for duty, the willful absence from one's position, the stoppage of work, or the abstinence in whole or in part from the full, faithful performance of the duties of employment for the purpose of inducing,



influencing or coercing a change in the conditions of compensation, or the rights, privileges or obligations of employment.

#### ARTICLE 16. DISCIPLINE OF AN EMPLOYEE

- 16.1 The city may only discipline regular employees for just cause. In the case of disciplinary action involving suspension, demotion or discharge, the employee shall be given notice of the action to be taken, the evidence or materials upon which the action is based, and an opportunity to respond to the Police Chief either orally or in writing, provided the employee requests the opportunity within seven (7) calendar days of the notice of the action. The above process will occur prior to the imposition of the discipline.

- 16.2 Except as provided in Section 22.4, all employees have the right to appeal their discipline according to the appeal procedure as set out below. Written notice of discipline shall inform and remind the disciplined employee of this right.

Hearing Officer. The employee or employee organization and the city will attempt to develop a permanent list of five (5) mutually acceptable hearing officers. If a mutually acceptable list cannot be developed, the parties agree that the advisory hearing will be conducted before a hearing officer selected by the parties from a list provided by the California State Mediation and Conciliation Service. If the parties cannot mutually agree on the hearing officer they will use a strikeout procedure using a list of seven names provided by the California State Mediation and Conciliation Service. The appellant will have the prerogative of striking the first name.

The city will bear all administrative costs associated with an appeal of discipline and the subsequent hearing including the hearing officer, court reporter and transcription costs, if any.

The employee or employee organization will be responsible for the cost of his or her own representation or attorney fees and preparation of documents.

- 16.3 Once discipline has been imposed, the Police Chief or an authorized designee shall specify the period of time, from two to four years that the discipline will remain in the affected employee's personnel records, unless a longer period is required by law. At the end of the designated period of time, the disciplinary action shall be removed from the employee's personnel file. It is the responsibility of the employee to initiate a request for removal of disciplinary action from the employee's personnel file. The only permitted use of the removed disciplinary action shall be in a later disciplinary proceeding where there is an allegation of similar or cumulative activity or misconduct.
- 16.4 Nothing in this Memorandum shall be construed to require "cause" or "just cause" for the rejection of a probationary employee prior to the expiration of the probationary period. A probationary employee rejected during the probationary period shall not be entitled to appeal such rejection to the Hearing Officer, but shall be entitled to an opportunity to discuss the rejection with the Police Chief.
- 16.5 Right of Appeal. Any regular employee shall, within seven (7) calendar days, have the right to appeal to the Hearing Officer any disciplinary action.
- 16.6 Method of Appeal. Appeals shall be in writing, subscribed by the appellant, and filed with the Human Resources Director, who shall, within ten (10) calendar days after receipt of the appeal,

inform the Hearing Officer of the action desired by the appellant and the reasons why. The formality of a legal pleading is not required.

- 16.7 Notice. Upon the filing of an appeal, the Human Resources Director shall set a date for the hearing on the appeal not less than ten (10) calendar days nor more than thirty (30) calendar days from the date of filing, unless the parties mutually agree to a later hearing date. The Human Resources Director shall notify all interested parties of the date, time, and place of the hearing.
- 16.8 Hearings. Unless physically unable to do so, the appellant shall appear personally before the Hearing Officer at the time and place of the hearing. The appellant may be represented at the hearing by any person or attorney the appellant selects and may produce any relevant oral or documentary evidence. The city shall bear the burden of proof; therefore, the city shall state its case first and, at the conclusion, the appellant may then present evidence. Rebuttal matter not repetitive may be allowed in the discretion of the Hearing Officer. Cross-examination of witnesses shall be permitted. The conduct and decorum of the hearing shall be under the control of the Hearing Officer, with due regard to the rights and privileges of the parties appearing before it. Hearings need not be conducted according to technical rules relating to evidence and witnesses. Hearings will be closed unless at least four (4) business days prior to the hearing the appellant, in writing, requests an open hearing. At the conclusion of the hearing, the hearing officer will make a recommendation. If either party disagrees with the Hearing Officer's recommendation, that party may request, within ten (10) calendar days, to present their case to the City Council before the City Council renders a final decision.
- 16.9 Findings and Recommendations. The Hearing Officer shall, as soon as possible after the conclusion of the hearing, certify his/her findings and decisions in writing to the City Council and to the appellant. The City Council shall review the findings and recommendations of the Hearing Officer and may then affirm, revoke or modify the action taken as, on its judgment, seems warranted, and the action taken shall be final. The Hearing Officer may submit a minority or supplemental finding and recommendation. In the case of suspension, discharge or demotion, the appointing power shall reinstate an employee to the employee's former status if the City Council determines that the action was for discriminatory reasons.

#### ARTICLE 17. RETIREMENT BENEFITS

- 17.1 The city has contracted with CalPERS for the following retirement benefits:

- Safety Tier 1 (employees entering safety membership for the first time prior to October 4, 2010) – The retirement formula shall be 3% @ 50; single highest year final compensation.
- Safety Tier 2 (employees entering safety membership for the first time on or after October 4, 2010) – The retirement formula shall be 2% @ 50; three year average final compensation.

Employees who are "New Members" as defined by the California Public Employees' Pension Reform Act of 2013 (PEPRA) (e.g., an employee hired on or after 1/1/2013 who has never been a CalPERS member or member of a reciprocal system or who has had a break in CalPERS service of at least 6 months or more) will constitute a third tier and be subject to all the applicable PEPRA provisions, which include but are not limited to the following retirement benefits:

- Safety Tier 3 – The retirement formula shall be 2.7% @ 57; three year average final compensation.

## 17.2. Employee Retirement Contribution

The employee retirement contribution will be made on a pre-tax basis by implementing provisions of section 414(h)(2) of the Internal Revenue Code (IRC).

Employees shall make the following employee retirement contributions through payroll deductions:

- Effective the first full pay period following Council approval of this MOU, Tier 1 and Tier 2 safety employees shall pay all of the employee retirement contribution (9%).
- Tier 3 safety employees shall pay one half of the normal cost rate associated with the 3<sup>rd</sup> tier.

17.3 If the Employer Paid Member Contribution (EPMC) is greater than zero, the city shall report the value of the EPMC as additional (special) compensation to CalPERS for all CPMA represented employees designated as “classic CalPERS members”.

## ARTICLE 18. FLEXIBLE BENEFITS PROGRAM

18.1 Employees represented by the CPMA will participate in a flexible benefits program that includes medical insurance, dental insurance, vision insurance, accidental death and dismemberment insurance (AD&D) and flexible spending accounts (FSAs).

18.2 Medical Insurance: During the entire term of this agreement, represented employees will be covered by the Public Employees’ Medical and Hospital Care Act (PEMHCA) and will be eligible to participate in the CalPERS Health Program. The city will pay on behalf of all employees covered by this agreement and their eligible dependents and those retirees designated in Section 18.6 of this Article, the minimum amount per month required under Government Code Section 22892 of the PEMHCA for medical insurance through the California Public Employees’ Retirement System (CalPERS). If electing to enroll for medical benefits, the employee must select one medical plan from the variety of medical plans offered.

Effective the first full payroll period after ratification of this MOU (prospective only), the city shall contribute the following monthly amounts (called “Benefits Credits”) on behalf of each active employee and eligible dependents toward the payment of 1) medical premiums under the CalPERS Health Program, 2) contributions in the name of the employee to the City’s flexible spending account(s), or 3) city-sponsored dental, vision or Accidental Death & Dismemberment (AD&D) premiums.

- (a) For employees with “employee only” coverage, the city shall contribute five hundred forty-four (\$544) dollars per month (decreased from \$567 per month) that shall include the mandatory payments to CalPERS. If the actual total premiums exceed the city’s total contributions, the employee will pay the difference.
- (b) For employees with “employee plus one dependent” coverage, the city shall contribute one thousand thirty-eight dollars (\$1,038) per month (decreased from \$1,082 per month) that shall include the mandatory payments to CalPERS. If the actual total premiums exceed the city’s total contributions, the employee will pay the difference.
- (c) For employees with “employee plus two or more dependents” coverage, the city shall contribute one thousand three hundred sixty-three dollars (\$1,363) per month (decreased from \$1,421 per month) that shall include the mandatory payments to CalPERS. If the

actual total premiums exceed the city's total contributions, the employee will pay the difference.

The dollar amount paid by the city for each coverage level (employee only, employee plus one dependent and employee plus two or more dependents) may be increased in the pay period that includes January 1, 2015. The amount of the increase will be determined by noting the average percentage increase in premiums for all of the CalPERS HMO health plans for January 1, 2015. If this percentage increase is greater than five percent (5%), the city will calculate the difference between the average percentage increase and 5% and divide that number in half. Then the city will increase its previous calendar year's monthly city contribution for each coverage level by the resulting percentage increase (rounded to the nearest whole dollar amount) to determine the new monthly city contribution dollar amount.

If the average percentage change in premiums for all of the CalPERS HMO health plans for January 1<sup>st</sup> 2015 is less than zero percent (0%), the city will take the average percentage decrease and subtract half of this percentage decrease from its previous calendar year's monthly contribution (rounded to the nearest whole dollar amount) to determine the new monthly city contribution dollar amount.

For sample scenarios regarding the January 2015 change to city Benefit Credits, see the table below.

SAMPLE SCENARIOS	
Average Increase in CalPERS HMO Premiums January 2015	Percentage Change to Benefit Credits January 2015
-10%	-5%
0% - 5%	0%
15%	5%

If the amount contributed by the city (Benefits Credits) exceeds the cost of the medical insurance purchased by the employee, the "unused credits" will be applied towards the cost of the employee's purchase of dental insurance, vision insurance, AD&D insurance or contributions to a healthcare or dependent care flexible spending account (FSA). Remaining unused Benefits Credits will be paid to the employee in cash and reported as taxable income.

- 18.3 Dental Insurance, Vision Insurance and Accidental Death & Dismemberment (AD&D) Insurance  
Employees may elect to purchase or waive city-sponsored dental, vision or AD&D insurance. If the decision is made to purchase one or more of these insurance plans, an employee may purchase them at any level of coverage offered by the plan.

18.4 Opt Out Provision

Employees who do not wish to participate in the CalPERS Health Program will have the choice of waiving the city's medical insurance provided they can show that they are covered under another insurance plan.

Effective the first full pay period after ratification of this MOU (prospectively only), employees who elect this provision will be given a reduced city contribution amount (Benefits Credits) of

two hundred ninety-five (\$295) per month (decreased from \$308 per month), to be used toward the purchase of dental insurance, vision insurance, AD&D insurance or as a contribution to a flexible spending account. The city contribution amount of two hundred ninety-five dollars (\$295) per month will be granted to any employee who elects to opt out of the CalPERS Health Program, regardless of the employee's level of coverage (employee only, employee plus one dependent, employee plus two or more dependents).

The dollar amount paid by the city for employees who elect the opt-out provision may be increased in the pay period that includes January 1, 2015. The amount of the increase will be determined by noting the average percentage increase in premiums for all of the CalPERS HMO health plans for January 1, 2015. If this percentage increase is greater than five percent (5%), the city will calculate the difference between the average percentage increase and 5% and divide that number in half. Then the city will increase its previous calendar year's monthly contribution by the resulting percentage increase (rounded to the nearest whole dollar amount) to determine the new monthly city contribution dollar amount.

If the average percentage change in premiums for all of the CalPERS HMO health plans for January 1<sup>st</sup> 2015 is less than zero percent (0%), the city will take the average percentage decrease and subtract half of this percentage decrease from its previous calendar year's monthly contribution (rounded to the nearest whole dollar amount) to determine the new monthly city contribution dollar amount.

For sample scenarios regarding the January 2015 change to city Benefit Credits, see the table below.

SAMPLE SCENARIOS	
Average Increase in CalPERS HMO Premiums January 2015	Percentage Change to Benefit Credits January 2015
-10%	-5%
0% - 5%	0%
15%	5%

Unused Benefits Credits as outlined above will be paid to the employee in cash and reported as taxable income.

- 18.5 Each retired employee who was a member of this bargaining unit is covered by the Public Employees' Medical and Hospital Care Act and is eligible to participate in the California Public Employees' Retirement System (CalPERS) Health Program. Represented employees who retire from the city, either service or disability and receive a retirement allowance from CalPERS, shall be eligible to continue their enrollment in the CalPERS Health Program when they retire, provided that the individual is enrolled or eligible to enroll in a CalPERS medical plan at the time of separation from employment and their effective date of retirement is within 120 days of separation. The city will contribute the minimum amount per month required under Government Code Section 22892 of the PEMHCA toward the cost of each retiree's enrollment in the CalPERS Health Program. Direct authorization may be established for automatic deduction of payments for health insurance administered by CalPERS.

Employees who retire from the city, either service or disability, shall be eligible to continue to participate in the city's dental and/or vision insurance programs. The cost of such dental and/or vision insurance for the employee and eligible dependents shall be borne solely by the employee. The city shall not charge the COBRA administrative cost to the retirees.

The retiree must make arrangements with the city to prepay his/her monthly premiums for dental and/or vision insurance and must keep such payments current to ensure continued coverage.

#### ARTICLE 19. UNIFORM REIMBURSEMENT

Reimbursement to represented employees for the cost of purchasing and maintenance of required uniforms shall be \$26.92 per pay period.

#### ARTICLE 20. VEHICLES FOR INVESTIGATIONS

Each represented employee who is working in the assignment of Investigations Lieutenant, Traffic Lieutenant, and all Police Captains shall be assigned a designated vehicle and shall be entitled to use the vehicle on each duty shift; provided, however, such assignment of a designated vehicle is expressly conditioned on the availability of vehicles and does not extend to any Lieutenant/Captain assigned in addition to the number assigned as of the date of this Memorandum.

#### ARTICLE 21. LONG TERM DISABILITY

During the term of this Memorandum, city agrees to continue to provide long term disability insurance. The insurance shall provide for a thirty (30) day waiting period prior to payment eligibility. In all other respects, the insurance shall continue unchanged.

#### ARTICLE 22. LEAVE OF ABSENCE

##### 22.1 Occupational Injuries or Illnesses

- 22.1.1 A sworn employee who is temporarily unable to work due to an occupational illness or injury will receive full pay for up to one year as provided in Section 4850 of the Labor Code ("4850 benefits"). The employee may not receive 4850 benefits concurrently with sick leave or any other form of paid time off.

If the employee continues to be unable to work after the employee's 4850 benefits have been exhausted and the employee has not been retired, the employee will receive workers' compensation temporary disability payments (or, if appropriate, vocational rehabilitation maintenance allowance payments) as provided in the Labor Code. To the extent these benefits are less than the employee's full regular pay, the employee shall supplement them by using accrued sick leave, vacation, and/or compensatory time to reach the amount equal to the employee's full regular pay until the employee's leave balances reach zero, at which time the employee would commence an unpaid leave of absence.

##### 22.2 Non-Occupational Injuries or Illnesses

- 22.2.1 An employee who is temporarily unable to work due to a non-occupational illness or injury will receive those disability benefit payments for which the

employee is eligible and applies. To the extent that these benefits are less than the employee's full regular pay, the employee shall supplement them by using accrued sick leave, vacation, and/or compensatory time to reach the amount equal to the employee's full regular pay until the employee's leave balances reach zero, at which time the employee would commence an unpaid leave of absence.

- 22.2.2 Leaves of absence for pregnancy-related disabilities will be handled in the same manner as leaves of absence for non-occupational illnesses or injuries, subject to the pregnancy disability provisions of the California Fair Employment and Housing Act.

## 22.3 Leave of Absence Without Pay

### A. General Policy

Any employee may be granted a leave of absence without pay pursuant to the recommendation of the Police Chief and the approval of the City Manager.

### B. Authorization Procedure

Requests for leave of absence without pay shall be made upon forms prescribed by the City Manager and shall state specifically the reason for the request, the date when the leave is desired to begin, the probable date of return, and the agreement to reimburse the city for any benefit premiums paid by the city during the leave of absence. The request shall normally be initiated by the employee, but may be initiated by the Police Chief, and, upon written recommendation of the Police Chief that it be granted, modified or denied, shall be promptly transmitted to the City Manager. A copy of any approved request for leave of absence without pay shall be delivered promptly to the Directors of Finance and Human Resources.

### C. Length of Leave and Extension

A leave of absence without pay may be made for a period not to exceed six months, unless otherwise approved by the City Manager. The procedure for granting extensions shall be the same as that in granting the original leave provided that the request for extension is made no later than fourteen (14) calendar days prior to the expiration of the original leave.

### D. Return From Leave

When an employee intends to return from an authorized leave of absence without pay either before or upon the expiration of such leave, he/she shall contact the Police Chief at least fourteen (14) calendar days prior to the day he/she plans to return. The Police Chief shall promptly notify the

City Manager of the employee's intention. The employee shall return at a rate of pay not less than the rate at the time the leave of absence began.

E. Effect of Leave Without Pay

An employee shall utilize all his/her vacation, and/or sick leave (if applicable) prior to taking an authorized leave of absence without pay.

A prorata reduction of normal annual vacation and sick leave accruals shall be applicable to an approved absence without pay. Any absence without pay constitutes a break of continuous service with the city. The granting of any leave without pay exceeding two full scheduled pay periods shall cause the employee's calculation of full-time continuous service to be extended by the number of calendar days for which such leave has been granted less the first two full pay periods of such leave.

An employee's accumulation of sick leave and vacation leave will cease after the completion of two (2) full scheduled pay periods in which the employee has not received compensation due to a leave of absence without pay. Accrual will be reinstituted beginning the first day of the first full pay period after the employee has returned to work.

F. Leave Without Pay - Insurance Payments

An employee on leave without pay may continue his/her city insurance benefits by reimbursing the city for the costs of insurance on a monthly basis during the period of the leave. Failure to reimburse the city for such benefits during the term of a leave of absence will result in the employee's coverage terminating on the first day following the month in which the last payment was received.

22.4 To the extent permitted by law, a leave of absence under this article will run concurrently with any leave of absence an employee is entitled to receive under the California Family Rights Act or the federal Family and Medical Leave Act.

22.5 Police Captains are exempt from overtime requirements under the Fair Labor Standards Act. Police Captains are paid on a salary basis versus an hourly basis. Pursuant to FLSA regulation 29 CFR Section 541.5d, the city can make deductions from salary or leave accounts for partial day absences for personal reasons or sickness because the city has a policy and practice of requiring its employees to be accountable to the public that they have earned their salaries. A partial day absence is an absence of less than the employee's regular work day. Pursuant to FLSA regulation 29 CFR Section 541.118 (a)(2) and (a)(3), the city may make salary or leave reductions based upon full day absences. Partial day or full day absences shall be first charged against the exempt employee's vacation, sick, or executive leave account. In the event the exempt employee does not have sufficient time in his/her leave account to cover the absence, deductions without pay will be made on full days only.

22.6 Jury Duty

When called to jury duty, an employee shall be entitled to his/her regular compensation. Employees released early from jury duty shall report to their supervisor for assignment for the



duration of the shift. Employees shall be entitled to keep mileage reimbursement paid while on jury duty.

A Department Head may, at his/her sole discretion, contact the court and request an exemption and/or postponement of jury service on behalf of an employee. Employees released early from jury duty shall report to their supervisor for assignment for the duration of the work day. At the discretion of the supervisor, an employee may be released from reporting back to work if an unreasonable amount of the work day remains in light of travel time to the job site after release.

#### ARTICLE 23. DISABILITY RETIREMENT

An employee's eligibility for disability retirement will be determined in accordance with the standards and procedures contained in California Government Code sections 20000 et seq.

#### ARTICLE 24. VACATION

- 24.1 All members of this bargaining unit shall be entitled to accrue vacation on a daily basis according to the number of continuous full years of employment based on the following vacation accrual schedule:

Beginning with the first (1<sup>st</sup>) working day through the completion of five (5) full calendar years of continuous service – 13 minutes/day

Beginning the sixth (6<sup>th</sup>) year of continuous employment through the completion of ten (10) full calendar years of continuous service – 20 minutes/day

Beginning the eleventh (11<sup>th</sup>) year of continuous employment through the completion of eleven (11) full calendar years of continuous service – 21 minutes/day

Beginning the twelfth (12<sup>th</sup>) year of continuous employment through the completion of twelve (12) full calendar years of continuous service – 22 minutes/day

Beginning the thirteenth (13<sup>th</sup>) year of continuous employment through the completion of thirteen (13) full calendar years of continuous service – 24 minutes/day

Beginning the fourteenth (14<sup>th</sup>) year of continuous employment through the completion of fifteen (15) full calendar years of continuous service – 25 minutes/day

Beginning the sixteenth (16<sup>th</sup>) year of continuous employment, vacation time shall be accrued, and remain at a rate of 26 minutes/day for every full calendar year of continuous employment thereafter.

CPMA-represented employees with comparable service in local government agencies may be granted credit for such service for the purpose of computing vacation at the discretion of the City Manager.

#### 24.2 Vacation Accrual Maximum

No employee will be allowed to accrue vacation hours in excess of the three hundred and twenty (320) hour maximum.

The Police Chief will encourage the taking of accrued vacation leave. Although employees are responsible for actively managing their leave balances, the Police Chief will not unreasonably deny requests for vacation time off. If there are unusual circumstances that would require an employee to exceed the vacation accrual maximum, he/she must submit a request in writing to the Police Chief and the City Manager. The Police Chief and the City Manager may grant such a request if it is in the best interest of the city. Requests will be handled on a case-by-case basis and will be considered only in extreme circumstances.

#### 24.3 Vacation Conversion

Once each January, employees will be allowed to voluntarily convert up to eighty (80) hours of accrued vacation to cash, provided they have used at least eighty (80) hours of vacation during the pay periods that fall within the prior calendar year.

#### 24.4 Compensation for City Work During Vacation

Occasionally employees on vacation leave are needed for work assignments. Employees returning to work during vacation leave will be compensated as follows:

- (a) Court - --For Lieutenants only, mandated court appearances during the time of an employee's paid vacation leave from city service will be compensated at time and one half the employee's regular rate of pay, with a minimum of four (4) hours.
- (b) Duty Time -- Employees returning to their regularly scheduled work time while on vacation leave shall be paid their applicable regular rate of pay and not be charged the corresponding vacation time.
- (c) Non-Duty Time -- Lieutenants returning to work at a time other than their regularly scheduled work time while on vacation leave shall be paid at time and one half the employee's regular rate of pay.
- (d) Recall -- This clause shall not limit the city's right to recall an employee from vacation in the event of an emergency.

#### 24.5 Scheduling Vacations

An employee may take his/her annual vacation leave at any time during the year, contingent upon determination by the Police Chief that such absence will not materially affect the department. Each employee must consider the needs of the service when requesting annual vacation leave. An employee shall normally provide forty-eight (48) hour notice in advance of the day(s) he/she is requesting vacation time off. When a family emergency arises which necessitates the use of vacation time, an employee shall provide as much advance notice as possible considering the particular circumstances.

#### 24.6 Terminal Vacation Pay

An employee with regular status separating from the city service who has accrued vacation leave shall be entitled to terminal pay in lieu of such vacation. No leave credit will be earned on terminal leave payments. When separation is caused by death of an employee, payment shall be

made to the estate of such employee or, in applicable cases, as provided in the Probate Code of the State.

## ARTICLE 25. HOLIDAYS

- 25.1 The city agrees to observe twelve (12) scheduled paid holidays through January 31, 2015. The holiday schedule shall not interfere with, influence, or otherwise change the scheduling of shift employees by the department.

As of February 1, 2015, the Lincoln's Birthday holiday shall be eliminated for all CPMA employees.

- 25.2 The holiday schedule for the term of this agreement is as follows:

New Year's Day  
 Martin Luther King's Birthday  
 Lincoln's Birthday (Monday before President's Day) (eliminated on February 1, 2015)  
 President's Day  
 Memorial Day  
 Independence Day  
 Labor Day  
 Columbus Day  
 Veteran's Day  
 Thanksgiving Day  
 Thanksgiving Friday  
 Christmas Day

- 25.3 Lieutenants who work a 5/8 schedule will be paid eight (8) hours of straight time for each holiday. Lieutenants who work a 9/80 schedule will be paid nine (9) hours of straight time for each holiday. Lieutenants who work a 4/10 schedule will be paid ten (10) hours of straight time for each holiday. Lieutenants who work a 3/12 schedule will be paid twelve (12) hours of straight time for each holiday.
- 25.4 Lieutenants will be compensated in cash or compensatory time off (CTO) for holidays in the pay period in which they occur. Lieutenants scheduled to work on a holiday who desire the day off will utilize vacation or CTO.

For purposes of this section, a shift trade will be considered part of an employee's regularly scheduled work shift.

## ARTICLE 26. ALCOHOL AND DRUG POLICY

### I. POLICY

It is the policy of the City of Carlsbad to provide, for its employees, a work environment free from the effects of drugs and alcohol consistent with the directives of the Drug Free Workplace Act. The City of Carlsbad agrees to use a clinical laboratory which is certified by the National Institute on Drug Abuse (NIDA), now known as the Substance Abuse & Mental Health Services Administration (SAMHSA). All procedures and protocols for collection, chain of custody and testing will be conducted consistent with standards required under SAMHSA certification. This policy will be interpreted consistent with the provisions of the Public Safety Officers Procedural

Bill of Rights (Government Code Section 3300 et seq.). This policy is intended to accomplish that objective.

A. Definitions - As Used in This Policy:

1. "Drug" means any substance which produces a physical, mental, emotional or behavioral change in the user, including but not limited to, prescription medications, heroin, cocaine, morphine and its derivatives, P.C.P., methadone, barbiturates, amphetamines, methamphetamines, alcohol, marijuana, and other cannabinoids.
2. "Workplace" means any site where city-assigned work is performed, including city premises, city vehicles or other premises or vehicles, while city-assigned work is being conducted, or within a reasonable time thereafter.
3. "Reasonable suspicion" means a standard for evidence or other indication of impairment of normal physical or mental skills by alcohol or drugs where such impairment could negatively affect work performance or could pose a threat to public or employee safety.

B. Employee Responsibilities

1. As a condition of employment, employees shall:
  - a. not engage in the unlawful manufacture, distribution, dispensation, possession or use of alcohol or drugs nor be under the influence of alcohol or drugs in the workplace or while on-call;
  - b. submit to an alcohol and drug analysis and remain on the premises when requested to do so by city management, acting pursuant to this policy, or by law enforcement personnel;
  - c. notify the city of any conviction under a criminal drug statute (including any pleas of nolo contendere), if such conviction was based on a violation which occurred in the workplace, no later than five days after such conviction;  
  
(notification under this subsection does not relieve an employee from the disciplinary consequences of the conduct upon which a criminal conviction is based); and
  - d. abide by all terms of this policy.
2. Employees are required to notify their supervisors when taking any medication or drugs, prescription or non-prescription (over-the-counter medications), which interfere with safe or effective performance of their duties or operation of city equipment.
3. Off-duty involvement with any controlled substance including, but not limited to manufacture, distribution, dispensing, possession, use or any conviction under a criminal drug statute whose scope and employment are relevant to city employment may result in disciplinary action up to and including termination if

there is relevant nexus between such off-duty involvement and the employee's employment with the city, consistent with the legal requirements for disciplinary due process.

C. Consequences of Violation of Policy

1. Failure to abide by the terms of this policy shall be grounds for disciplinary action, up to and including termination.
2. In addition to any disciplinary action, an employee who fails to abide by this policy may also be directed or allowed to satisfactorily participate in an approved alcohol or substance abuse assistance or rehabilitation program.

II. DRUG AND ALCOHOL ANALYSIS

A. Pre-employment Drug and Alcohol Analysis

1. Upon receiving a conditional offer of employment, an otherwise successful candidate must submit to a drug and alcohol analysis. At the city's discretion, this analysis may be in the form of "breathalyzer," urine, or blood analysis.
2. Persons whose results are positive for either drugs or alcohol will be rejected for city employment.

B. Employee Drug and Alcohol Analysis

1. If a manager or supervisor of the city has reasonable suspicion that an employee is under the influence of drugs or alcohol while in the workplace or subject to duty, the employee shall be:
  - a. Prevented from engaging in other work; and
  - b. Required to submit to a drug and alcohol analysis. At the city's discretion, this analysis may be in the form of "breathalyzer," urine, or blood analysis.
  - c. An employee may also be required to remain on the premises for a reasonable time until arrangements can be made to transport the employee to his or her home.
2. Some examples of "reasonable suspicion" as defined in Section 1.A.3. include, but are not limited to, the following, when confirmed by more than one person having supervisory authority:
  - a. slurred speech.
  - b. alcohol odor on breath;

- c. unsteady walking or movement not related to prior injury or disability;
  - d. an accident involving city property having no obvious causal explanation other than possible employee responsibility;
  - e. physical or verbal behaviors that are disruptive, non-responsive, unusual for that employee or otherwise inappropriate to the workplace situation;
  - f. attributable possession of alcohol or drugs;
  - g. information obtained from a reliable person with personal knowledge that would lead a reasonably prudent supervisor to believe that an employee is under the influence of alcohol or drugs.
3. Refusal to remain on the premises or to submit to a drug and alcohol analysis when requested to do so by city management or by law enforcement officers shall constitute insubordination and shall be grounds for discipline, up to and including termination.
  4. A drug and alcohol analysis may test for the presence of any drug which could impair an employee's ability to effectively and safely perform the functions of his or her job.
  5. A positive result from a drug and alcohol analysis may result in disciplinary action, up to and including termination.
  6. City agrees to take steps to protect the chain of custody of any drug test sample.
  7. Employee will be placed on paid administrative leave pending the completion of any testing process and any investigation deemed necessary by the city.

### III. EMPLOYEE ASSISTANCE PROGRAM

- A. The city has a well established voluntary Employee Assistance Program (EAP) to assist employees who seek help for substance abuse problems. The EAP is available for assessment, referral to treatment, and follow-up. Any employee of the city wishing confidential assistance for a possible alcohol or drug problem can call the EAP office and arrange for an appointment with a counselor.
- B. Employees who are concerned about their alcohol or drug use are strongly encouraged to voluntarily seek assistance through the EAP. All self-referral contacts are held in confidence by the EAP.
- C. Participation in the employee assistance program will not replace normal disciplinary procedures for unsatisfactory job performance or for violation of any city policy.

## ARTICLE 27. EMPLOYER SEARCHES

For the purpose of enforcing city or department policies, directives, and work rules, the city reserves the right to search, with or without prior notice to the employee, all work areas and property in which the city maintains full or joint control with the employee, including, without limitation, city vehicles, desks, lockers, file cabinets, and bookshelves. These areas and property remain part of the workplace context even if the employee has placed personal items in them. Employees are cautioned against storing personal belongings in work areas and property under full or joint city control since such work areas may be subject to investigation or search under this article.

Employer searches may occur when there is a reasonable suspicion that the employee has violated a city or department policy, directive, or work rule and that the area or property to be searched may contain evidence of that violation. Searches will be conducted by persons having supervisory and/or other legal authority to conduct them. Searches will not normally occur without the concurrence of more than one supervisor.

If the Public Safety Officers Procedural Bill of Rights Act (Government Code sections 3300 et seq.) is applicable to a particular search, then the city will comply with the Act notwithstanding anything to the contrary in this article.

Nothing in this article will prevent the city from taking appropriate action if there is inadvertent discovery of evidence of a policy, directive, or work rule violation.

## ARTICLE 28. PERFORMANCE MANAGEMENT AND COMPENSATION SYSTEM

This article replaces Administrative Order No. 66 in its entirety.

Appendix A depicts the salary ranges for CPMA classifications. Human Resources will continue the practice of periodically reviewing market data and recommending movement of the CPMA salary ranges to Council. This will continue to not be subject to negotiations.

Effective the first full pay period following Council approval of this MOU, all CPMA-represented employees active on payroll shall receive a taxable non-persable stipend equal to \$1,600.

The city will apply a four percent (4%) base pay matrix to be used to determine base pay increases for eligible CPMA members effective December 31, 2014.

The city will apply a three and a half percent (3.5%) base pay matrix to be used to determine base pay increases for eligible CPMA members effective December 31, 2015.

Upon initial entry into a CPMA classification, an employee's base salary shall be set equal to the base salary of the lowest paid employee in that same classification.

### I. PURPOSE

Pay for Performance at the City of Carlsbad is based on the concept of a supervisor providing regular coaching/feedback to the employee. The purpose is to:

- create an environment that rewards high performers;
- link financial rewards to accomplishing city business objectives;

- create a consistent city-wide approach for managers to link performance and rewards; and
- create a meaningful/fair reward system.

## **II. BACKGROUND**

Consistent with the direction of the City Council, city staff has developed a compensation program that establishes competitive pay. The components of the compensation plan include:

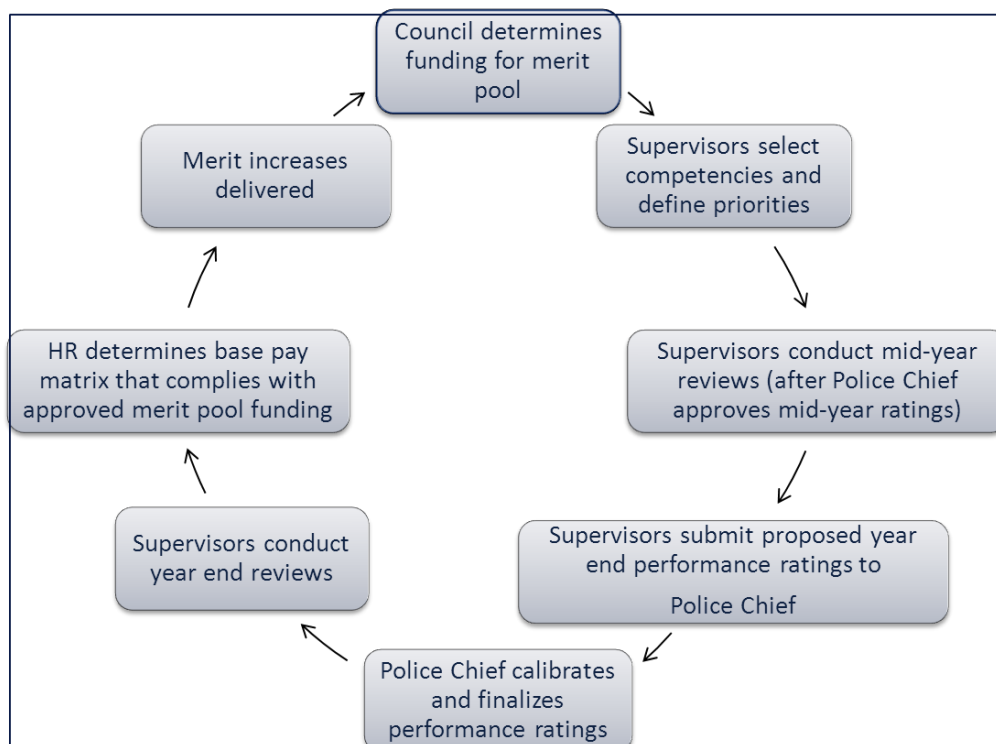
- a performance management program based on the concepts of performance planning and regular coaching/feedback;
- a market based salary structure; and
- a Pay for Performance reward system that includes merit increases\* (base pay increases and/or cash rewards for employees who are at the maximum of their salary range) based on the demonstration of competencies and achievements.

\* Eligibility for a merit pay increase is determined by an employee's performance and where his/her salary is relative to the midpoint of his/her salary range. Eligible employees who are at the salary range maximum receive a cash reward in lieu of a base pay increase.

## **III. GUIDANCE:**

### **A. Annual Review Cycle**

The Performance Management Cycle is aligned with the calendar year. Below is a summary of the annual cycle.





## **B. Performance Management**

The performance management process consists of four important, interrelated steps.

### Step 1- Performance Planning

Supervisors and employees will have an initial discussion to determine which functional competencies will be used to evaluate the employee in the upcoming year. The supervisor explains and sets performance level expectations. The supervisor and employee will also establish specific priorities, contributions or development plans that are aligned with the departmental and organizational strategic direction.

### Step 2 – Performance Coaching and Feedback

Throughout the year, at least on a quarterly basis, the supervisor and employee review and discuss the employee's work performance, including significant accomplishments and/or shortfalls. Generally, these coaching and feedback sessions will be informal and may be initiated by either the supervisor or employee. It will be the supervisor's responsibility to ensure these discussions take place and are appropriately documented.

### Step 3- Mid-Year Performance Review

Prior to the mid-year review meeting with the employee, the supervisor proposes mid-year ratings for the employee based on the employee's demonstrated competencies and accomplishments related to priorities. The Police Chief reviews all proposed mid-year ratings in his/her department and validates that Pay for Performance (P4P) guidelines are followed consistently within his/her department.

The goal of the mid-year performance review is to encourage open communication between supervisors and employees and ensure that there are "no surprises" during the annual performance evaluation session at the end of the year. The supervisor and employee will assess and discuss the employee's progress and the status of specific priorities. As organizational and department directions and priorities shift throughout the year, this session also provides the opportunity to re-evaluate and, if necessary, revise employee's priorities, achievement expectations or development plans. The performance evaluation form, including mid-year performance ratings, will be submitted to Human Resources and included in the employee's personnel file. The employee will be entitled to provide a written rebuttal to any rating and comments. However, only the final year end performance ratings will be used to determine eligibility for merit pay increases. The final year end performance ratings may differ from mid-year performance ratings.

### Step 4- Year End Performance Review

Prior to the year-end review meeting with the employee, the supervisor proposes ratings for the employee based on the employee's demonstrated competencies and accomplishments related to priorities. The Police Chief reviews all proposed ratings in his/her department and works with Human Resources staff to validate that Pay for Performance (P4P) guidelines are followed consistently within and across City departments.

Next, the supervisor meets with the employee. The employee will come to the year-end review meeting with his/her own thoughts and notes as to how well he/she performed during the evaluation period. The two-way discussion focuses on accomplishments, areas for growth and improvement, job accountabilities

and defined competencies. This meeting will also include the performance planning for the upcoming year as outlined in Step 1 above.

### **C. Governance of the Plan**

Human Resources will be responsible for the administration and maintenance of the performance management system, including forms, guidelines and related policies subject to City Council approval. Human Resources will periodically review the effectiveness of the performance management system.

### **D. Major Roles and Responsibilities**

City Council – The City Council is initially responsible for approving the pay for performance management system and for annually approving the merit pool/funding amount in order to tie rewards to performance.

Human Resources – The role of Human Resources will be to monitor the activities of the process, ensure compliance with City processes and procedures, and ensure that the employee receives a fair, accurate, and timely evaluation. This will be done by ensuring that appropriate results-oriented goals and measures are established for the upcoming calendar year and by reviewing proposed performance and development plans and evaluation forms for accuracy and completeness.

Human Resources will track performance ratings over time to encourage accountability and ensure that there is consistency among the distribution of performance ratings across departments.

Human Resources will provide on-going guidance and training to supervisors regarding conducting performance reviews and understanding the purpose and design of the pay for performance system.

Human Resources uses data from all employee performance ratings and Council's authorized funding amount to determine the percentages in the base pay matrix. Human Resources will process merit increases for eligible employees.

Police Chief–The Police Chief will be responsible for reviewing performance ratings within his/her department to ensure that accurate evaluation ratings are given and that supervisors are held responsible for effectively rating their staff. In the event of turnover of an employee's supervisor, the Police Chief will be responsible for ensuring that an employee is equitably and adequately reviewed and rated.

Supervisor – The supervisor will carry out the steps in the performance management process in a fair, accurate, consistent, and timely manner. This includes guiding the development of performance plans, monitoring and recording employee accomplishments, providing timely coaching and feedback, conducting accurate performance evaluations, and ensuring the employee has the opportunity to participate in the process.

In the event that an employee has more than one supervisor during a rating period, each supervisor will submit an assessment and the supervisors will mutually agree on a rating for the review period. A newly assigned supervisor will not be responsible for reviewing a rating period of less than three months.

Employee – The employee will actively contribute in the process of defining priorities and performance measures, initiating coaching and feedback sessions as needed. Requests for feedback by the employee shall be responded to within 14 calendar days of the request, although actual feedback can be written or oral and can be provided more than 14 calendar days after the request. Employees will complete a self-assessment prior to the year-end performance evaluation, and will be prepared to contribute in the mid-year and end of year performance evaluations.

## **E. Performance Management Components**

### Essential Functions

Essential functions are the job duties/tasks that an employee was hired to perform. These functions are the permanent features of the employee's job. The essential functions are outlined in the employee's job description. Essential functions are job-based rather than employee-based.

At the beginning of the performance year, the employee's job description will be reviewed by the supervisor and employee. Any significant changes in the qualifications or job tasks will be noted and submitted to Human Resources. Essential functions will determine which functional competencies may be appropriate for a specific position. At the end of the plan year, the employee will be rated on their performance related to the essential functions of the job as described in the job description.

Employees serving in out of class assignments will be reviewed in accordance with their regular position unless the employee served out of class for more than one-half of the review period. In that case, the employee will be reviewed based on their out of class assignment. If, at the outset of the out of class assignment, it is anticipated that the employee will spend more than one-half of the review period in that out of class assignment, the employee and supervisor shall have a Performance Planning Meeting as described in Step 1 above.

### Core and Functional Competencies

All employees will be reviewed and evaluated based on how well they can demonstrate specific competencies. Competencies are essential to the success of each employee in their job. There are two types of competencies: 1) Core – describes the required competencies for all employees and 2) Functional - describes competencies specific to the essential functions of the job performed by the employee.

All employees will be evaluated on the five core competencies and only two of the seven functional competencies. Each year, during the Performance Planning step, the supervisor and the employee will talk about which functional competencies are the most appropriate to use in the upcoming year based on the employee's specific job, priorities and work plan. Each year, the supervisor and the employee will select the two functional competencies that will be used to evaluate the employee that year.

### Setting Priorities

Individual priorities indicate specific results to be achieved by an employee for the coming review period. Priorities often change from year to year because they are intended to focus on a significant outcome identified by the department. The City will support the employee in their development and aim to create an environment of engagement, innovation and excellence.

Supervisors will determine three priorities for an employee and will link each priority to a core or functional competency. Priorities must be related to a significant component of the employee's job and the needs of the City and individual department or division. Supervisors will communicate orally and in writing how each priority is linked to the mission of the City/department and to the development of the employee.

Individual priority setting is to be done in light of organizational goals and departmental goals and priorities. That is, goals are to cascade down based on the City's strategic plan and initiatives from senior management, to mid-level managers, to supervisors and to line employees.

A well-written performance priority has these basic components:

- it is action oriented (e.g., includes phrases such as ‘to make’, ‘to complete’, ‘to adjust’);
- it includes a measurable indicator (e.g., quantity, rate, expense, quality, degree of accuracy, timeliness);
- there are constraints, such as time limitations; and
- it follows the SMART criteria (see below).

#### Using S.M.A.R.T. Criteria

Specific	Priorities must express the action and results required so that both the employee and supervisor can see clearly whether the priority has been achieved. What is the achievement or result that is expected?
Measurable	When setting priorities, there must be some way of measuring and verifying whether the priority has been achieved and to what level. How will the employee and supervisor know if the objective has been met?
Achievable	Although they should provide challenge and development to the individual, priorities also must be achieved. Is it reasonable that the priority be achieved?
Relevant	The priorities must be relevant to the level at which the individual is at in their career and to the workload of their particular area. Does the priority contribute to the department, division, or overall organization’s success?
Time-bound	Priorities need to have clearly defined time periods. What is the completion date of each milestone?

#### Rating Process and Criteria

The supervisor is responsible for rating the employee on all five core competencies, the two selected functional competencies and the priorities, and for providing written narrative to explain these ratings.

The rating system shown below will be used in evaluating employee performance.

1. Unsatisfactory	2. Improvement Needed	3. Competent	4. Commendable	5. Exemplary
Performance does not meet requirements. Performance is consistently and seriously inadequate. This employee must make immediate and sustained improvements.	Performance does not consistently meet requirements. Performance deficiencies are such that improvement is needed for the employee to satisfactorily meet requirements.	Performance consistently meets all requirements. Employee is fully proficient and adequately demonstrates the desired competency behaviors for the level of the job.	Performance exceeds requirements and demonstrates the ability to handle assignments of greater complexity and responsibility. This employee shows initiative and seeks opportunities to enhance their job related skills and competencies.	Performance significantly exceeds requirements. Employee has made contributions and achievements well beyond those required by their assigned responsibilities. In many cases, performance demonstrates new areas of productivity and innovation far beyond position requirements.

### Employee Comments

Employees shall be advised that they are encouraged but not required to provide comments that they would like documented for the evaluation period. Employee comments will be part of the performance evaluation documentation.

### Signatures

The employee's signature acknowledges that the performance evaluation has been reviewed and discussed with them. This does not mean the employee agrees, or disagrees, with statements made or contained therein. When the evaluation session is completed, the employee and supervisor sign the form and appropriate levels of signatures are obtained:

- Immediate Supervisor
- Mid-level Manager (if applicable)
- Police Chief
- Human Resources

### Employee Outlets

Employees who disagree with their rating may request a meeting with the Police Chief. If, after this meeting, this matter is not resolved, the employee may then request a meeting with the City Manager or his/her designee and this meeting shall occur within 30 days at the employee's request. If the employee's performance rating is changed as a result of this process, any resulting merit pay adjustment shall be paid retroactively.

## **F. Linking Pay and Performance**

Eligibility for a merit increase is determined by an employee's overall performance rating and where his/her current salary is relative to the midpoint of their salary range.

### Eligibility

Employees must receive an overall rating of "Competent" or better to be eligible for performance-based merit increases. Those employees receiving an overall "Improvement Needed" or an "Unsatisfactory" performance rating are not eligible for performance based merit increases.

An employee whose salary is at their salary range maximum is not eligible for a base pay increase. In lieu of a base pay increase, eligible employees will receive a cash reward that is paid out in a lump sum equivalent to the amount of the base pay increase that they would have received if they were not at the salary range maximum. An eligible employee whose salary is close to their salary range maximum (such that the designated pay increase would cause their salary to exceed the salary range maximum) will receive a base pay increase up to the salary range maximum and will receive the remaining portion of the designated pay increase as a lump sum cash reward as described above.

### Base Pay Matrix

A base pay matrix will be used to reward performance. The City Council and CPMA negotiate a contract, which determines the merit pool or budget for the annual CPMA pay increase. After all of the

performance reviews have been completed, merit increase percentages will be determined by Human Resources based on the size of the Council approved base pay matrix funding, distribution of all employees' performance ratings and distribution of employees in their salary range (i.e., above or below the salary range midpoint). The goal is to assign merit increase percentages that will use substantially all of the funding approved by the City Council for merit increases for that performance cycle. An employee's overall performance rating (sum of individual competency ratings) and position in the range put them in one of the cells "A," "B," "C," "D," "E," or "F" as shown in the sample Base Pay Matrix below. Each employee's merit increase is determined using the base pay matrix.

#### **SAMPLE BASE PAY MATRIX**

	<b>Overall Performance Rating</b>				
	<b>7-10</b>	<b>11-17</b>	<b>18-24</b>	<b>25-31</b>	<b>32-35</b>
<b>Salary Range Placement</b>	<b>Unsatisfactory</b>	<b>Improvement Needed</b>	<b>Competent</b>	<b>Commendable</b>	<b>Exemplary</b>
At or above salary range midpoint	0.0%	0.0%	A%	C%	E%
Below salary range midpoint	0.0%	0.0%	B%	D%	F%

#### **IV. PROCEDURES**

1. All employees will be reviewed at mid-year and at the end of the calendar year. After both of these review meetings are completed, the performance evaluation form, including performance ratings, will be submitted to Human Resources and be made a part of the employee's personnel file.
2. The immediate supervisor most familiar with the employee's performance during the rating period shall be the rater. If the employee has had more than one supervisor during the evaluation period, the other supervisor(s) will be consulted and only one evaluation form/overall rating will be submitted.
3. Electronic performance evaluations forms will be made available by the Human Resources Department.
4. Ratings shall be based upon the competent performance of the full range of skills indicated by the class specification covering the employee's position. In the event that the class specification is not representative of the employee's current responsibilities, Human Resources will be notified and asked to review and make recommendations. Deviations from the class specification should be noted on the performance evaluation form.
5. Every eligible employee's performance evaluation is due to Human Resources by January 31. Any overdue evaluations will be reported to the Police Chief and the City Manager. Exceptions may be made for extenuating circumstances, such as employees out on leaves of absence (see section 7). The Human Resources Department will review all of the performance ratings and calculate the base pay

salary increases and/or cash rewards to be awarded for each rating level based on the base pay matrix funding established by the City Council.

6. Merit increases shall be distributed within 30 calendar days of receiving the last performance review or no later than the first full pay period in March. Merit increases will be effective retroactive to the last day of the performance review cycle.
7. Employees are eligible for a base pay salary increase or cash reward if the following requirements are met:
  - the employee receives a rating of “Competent” or higher on his/her year-end performance review;
  - the employee has been in a full time or  $\frac{3}{4}$  time position for a minimum of 6 months\*; and
  - the employee is active on payroll at the time that merit increases are processed in the payroll system.

\*Merit increases for employees hired into a CPMA position during the review cycle will be prorated as follows:

Start Date	Prorated Merit Increase Percent
January 1– March 31	100%
April 1 - June 30	75%
July 1 – December 31	0%

8. Any employee may be advanced in the pay range during the performance review period regardless of the length of time served at the employee’s present pay rate. This advancement requires the written recommendation of the Police Chief and approval of the City Manager.
9. Employees who were promoted during the performance cycle will receive a year end performance-related pay increase based on their salary as of the last day of the performance cycle.
10. Eligible employees who are in an out of class assignment will receive a merit increase calculated using salary information from their regular position.
11. If, as a result of a salary range adjustment, an employee’s base salary falls below the minimum of the salary range, the employee’s salary will be increased to the new range minimum as of the date City Council approves the salary range adjustment.
12. An employee who is on a leave of absence during the year-end review process will meet with his/her supervisor upon return to work and complete a year-end review. If the employee was on a leave of absence (other than a statutorily protected leave of absence) for a portion of the review period he/she will be eligible for a prorated merit increase for that review period according to the following schedule:

Length of leave*	Percent of merit increase eligible
< 91 calendar days	100%
91 – 180 calendar days	75%
> 180 calendar days	0%

\*not inclusive of statutory leave time

13. Employees who terminate employment after the last day of the review cycle will not be eligible for merit increases.

## **V. COMPENSATION PLAN**

The key element of the employee pay for performance program is the base pay structure. Covering all CPMA-represented jobs, the base pay structure reflects competitive pay levels for jobs assigned to each pay grade and provides the basis for equitable pay decisions. The CPMA Salary Structure contains two salary ranges. Each salary range has a minimum, midpoint and maximum.

In keeping with the City Council's philosophy of surveying the total compensation of local agencies, all local agencies in San Diego County who have sworn police job classifications will be considered in the survey market for CPMA classifications.

The Human Resources Department will compare salary and benefits information on each City of Carlsbad benchmark classification with appropriate classifications in the comparator group. Those classifications that are considered benchmarks are those in which there was a substantial match between the competencies and duties required for jobs at the City of Carlsbad and those for the comparator group. A benchmark requires a minimum of three comparators. The job matching is conducted by the Human Resources Department. From time to time the City Council may also request that private sector salary and benefits data be reviewed and compared to benchmark positions at the City of Carlsbad.

Each City of Carlsbad job classification is assigned to a specific salary range. The non-benchmark positions are assigned to the salary structure based on internal relationships, responsibility and/or knowledge, skills and abilities of jobs. The benchmark salary data will be surveyed regularly and the benchmark comparisons will be modified when the classifications change within the organization.

## **VI. TRAINING**

An extensive training program will be designed to enhance the evaluation and feedback skills of supervisors. Skills training will include:

- Performance Planning - Competencies
- Conducting Performance Evaluations
- Coaching, Counseling and Feedback
- Compensation Administration
- Performance Planning - Goal Setting

The Human Resources Department will offer periodic review sessions to reinforce managerial and supervisory skills and to train employees.

## **VII. GLOSSARY**

1. Base Pay increase – A prospective pay increase to an employee's base salary, as calculated to exclude any additional pays.
2. Base pay matrix – Matrix that determines the base pay increases and cash rewards to be given to eligible employees.
3. Cash reward – A one-time "lump sum" payment equivalent to the amount of the base pay increase that an employee would have received if he/she were not at the salary range maximum.
4. Merit increase – Either a base pay increase or cash reward as determined by the base pay matrix.
5. Survey market – List of Council approved agencies to be used when reviewing market competitiveness.



#### ARTICLE 29. EXECUTIVE LEAVE

Police Captains shall receive fifty-six (56) hours per fiscal year for executive leave. The fifty-six (56) hours will be credited at the beginning of each fiscal year to individual leave balances. This leave must be used within the same fiscal year.

The City Manager is authorized to provide ten (10) additional hours of executive leave per year to any CPMA-represented employee who is required to work extended hours due to emergencies such as fires, storms, floods, or other emergencies.

#### ARTICLE 30. LIFE INSURANCE AND VOLUNTARY BENEFITS

All unit members shall receive City paid life insurance in an amount equal to two times the basic yearly earnings. To determine benefits, the amount of insurance is rounded to the next higher \$1,000 multiple, unless the amount equals a \$1,000 multiple.

The City provides various voluntary benefits available at the employee's cost. Employees may select among various levels of coverage. For information regarding these benefits, contact the Human Resources Department at 760-602-2440.

#### ARTICLE 31. SEPARATION COMPENSATION

All employees involuntarily separated from the City service due to budget cutbacks, layoffs, contracting out of service or for other reasons not due to misconduct which would justify involuntary separation shall receive one month's salary computed at the employee's actual salary at the time of separation.

#### ARTICLE 32. ANNUAL PHYSICAL EXAMINATION AND/OR PHYSICAL FITNESS TESTING

All employees shall be eligible for reimbursement of up to the amount of four hundred fifty dollars (\$450) during each fiscal year to pay the cost of an employee's annual physical examination and/or physical fitness testing.

The annual physical examination may be completed by a physician of the employee's choice. Each employee claiming reimbursement shall be required to submit original receipts to the Human Resources Department in lieu of submitting them to the insurance company for payment.

The annual physical examination offered to unit members provides physical fitness testing and information regarding lifestyle changes that promote optimum health. Program components include, but are not limited to: Computerized Heart Risk Profile, Complete Blood Profile, Nutritional Assessment, Diet Program, Body Measurements, Lung Assessment, Consultations, etc.

#### ARTICLE 33. DEFERRED COMPENSATION

The City shall provide deferred compensation plan(s) which may be utilized by any employee. The City reserves the right to accept or reject any particular plan and to impose specific conditions upon the use of any plan.

The City and the CPMA agree to work with the City's deferred compensation provider (currently ICMA Retirement Corporation) to implement a personal loan provision for represented employees as soon as

administratively possible. It is acknowledged that the City will assist in the administrative set-up of this benefit but that the City has no liability if an employee should default on the repayment of such a loan.

IN WITNESS WHEREOF, the parties hereto have caused their duly authorized representatives to execute this Memorandum to be effective as stated herein.

CITY OF CARLSBAD

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KEVIN CRAWFORD, Interim City Manager      Date

APPROVED AS TO FORM:

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CELIA BREWER, City Attorney      Date

CARLSBAD POLICE MANAGEMENT ASSOCIATION

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MARC RENO, President      Date

CPMA Salary Schedule  
Effective 12/1/2012

JOB TITLE	MINIMUM	MARKET RANGE
Police Captain	\$ 113,500	\$130,000 - \$ 162,300
Police Lieutenant	\$ 92,900	\$106,800 - \$ 134,700